



GAIL FARBER, Director

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

October 13, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 October 13, 2015


PATRICK O'GAWA
ACTING EXECUTIVE OFFICER

**COUNTY LANDSCAPE MAINTENANCE DISTRICTS
LANDSCAPE AND LIGHTING ACT DISTRICT 4, ZONE 74, TESORO DEL VALLE
AUTHORIZATION TO EXTEND AGREEMENT 10356 WITH
TESORO DEL VALLE MASTER HOMEOWNERS ASSOCIATION
FISCAL YEAR 2015-16
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to authorize the Director of Public Works or her designee to amend the term of Agreement 10356 with Tesoro Del Valle Master Homeowners Association to provide additional time to expend available funds in Zone 74 on capital improvements within a certain area managed by the Association.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended action does not constitute a project and is not subject to the requirements of California Environmental Quality Act pursuant to Section 15378(b)(4) of the California Environmental Quality Act Guidelines.
2. Authorize the Director of Public Works to execute Amendment 1 to Agreement 10356 with the Association extending the term of the agreement on a month-to-month basis not to exceed 12 additional months ending October 31, 2016, to allow the Association to complete certain capital improvements using Zone 74 funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to execute the enclosed Amendment 1 to Agreement 10356 that is set to expire on October 31, 2015, to extend the term for up to 12 additional months ending October 31, 2016. The extension would allow additional time for the Association to complete certain capital improvements using all available funds in Zone 74.

Implementation of Strategic Plan Goals

This action will further the County's Strategic Plan Goals of Operational Effectiveness/Fiscal Sustainability (Goal 1) by ensuring the continuation of maintenance of landscaped areas and appurtenant improvements that benefit properties. This action is consistent with Community Support and Responsiveness (Goal 2) by establishing the funding necessary for construction and maintenance of the landscaping and appurtenant facilities that benefit the properties. In addition, this action is consistent with Integrated Services Delivery (Goal 3) as it provides for the delivery of a customer oriented municipal service for the convenience of the benefiting public, which improves the quality of life in the County of Los Angeles.

FISCAL IMPACT/FINANCING

There is no fiscal impact to the General Fund. Zone 74 is funded with a special benefit assessment on the properties within the zone. Funding for the proposed Amendment 1 to Agreement 10356 is in the Landscaping and Lighting Act District 4 Zone 74, Tesoro Del Valle (Fund P29) Fiscal Year 2015-16 Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On June 25, 2013, after a public hearing, the Board approved the detachment of Zone 74, Tesoro Del Valle, from the District effective April 30, 2014. Previously, on June 11, 2013, the Board authorized the Director of Parks and Recreation to enter into Agreement 10356 that would provide the Association with the authority to make certain capital improvements using the fund balance from Zone 74 until such funds were expended. The original term of Agreement 10356 was from July 1, 2013, to April 14, 2014, but provided for month-to-month extensions not to exceed a maximum period of 18 months in the event any Zone 74 funds held by the District were not expended prior to April 30, 2014. Any Zone 74 funds remaining after October 31, 2015, could only be used for allowable expenditures of utility costs incurred by the Association.

The Association has advised Public Works that a new entry monument project will consume all of the remaining funds in Zone 74. The Association has commenced the requisite permit process to construct this entry monument but has experienced a delay due to the necessity of having to obtain an oak tree permit from the County. As a result, construction has been delayed and is now expected to begin in October 2015. Construction is expected to take at least 9 months to complete, and therefore, it is essential that the term of Agreement 10356 be extended to October 31, 2016, in order to make the Zone 74 funds available to the Association. Under the proposed contract amendment, any Zone 74 funds remaining as of November 1, 2016, could only be used to reimburse the Association for allowable expenditures of utility costs.

On September 30, 2014, the Board transferred the responsibility for administering County Landscaping and Lighting Districts from the Department of Parks and Recreation to the Department of Public Works.

County Counsel has reviewed and approved the proposed amendment as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed contract amendment in connection with the detachment of Zone 74 is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378 (b)(4) of the State CEQA Guidelines. The proposed action is an administrative activity of government that will not result in direct or indirect physical changes to the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this action will cause no impact on current services or programs.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Traffic and Lighting Division. Also, please forward one adopted copy of the letter to the Tesoro Del Valle Homeowners Association (Attention Joseph Manisco), 25115 West Avenue Stanford, Suite A111, Valencia, California 91355.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The signature is written in a cursive, flowing style.

GAIL FARBER

Director

GF:DRL:ss

Enclosures

c: Chief Executive Office (Rochelle Goff)
County Counsel (Julia Weissman)
Executive Office

**AMENDMENT 1 TO AGREEMENT 10356
BETWEEN THE COUNTY OF LOS ANGELES AND THE
TESORO DEL VALLE MASTER HOMEOWNERS ASSOCIATION
FOR MANAGEMENT OF THE INSTALLATION OF
CERTAIN IMPROVEMENTS TO BE MADE TO THE
OPEN SPACE AREA WITHIN LANDSCAPING AND LIGHTING ACT
DISTRICT 4, ZONE 74, TESORO DEL VALLE**

This Amendment 1 is made and entered into effective as of _____, 2015, by and between County of Los Angeles, hereinafter referred to as "County", and the Tesoro Del Valle Master Homeowners Association, hereinafter referred to as "Association".

RECITALS

WHEREAS, pursuant to Section 6.01, the original term of the Agreement was from July 1, 2013, through April 30, 2014, during which term the Association could expend the Zone 74 funds for the Capital Improvements within the Open Space (as those terms are defined in the Agreement) and utility services to the Open Space; and

WHEREAS, Section 6.01 further provides that the Agreement would be further extended on a month-to-month basis for up to an additional eighteen (18) months to October 31, 2015, to accommodate the expenditure of such Zone 74 funds for Capital Improvements and utilities, but after October 31, 2015, such funds may be spent solely for the purpose of reimbursing the Association for amounts incurred for utility purposes and for no other purpose.

WHEREAS, although the Association commenced the requisite County application process for the construction of an entry monument to be constructed with Zone 74 funds pursuant to the Agreement, the construction of the entry monument has been delayed due to the necessity of having to obtain an oak tree permit and will not be completed by October 31, 2015.

WHEREAS, Association and County now desire to extend the term of the Agreement for up to twelve (12) additional one (1) month option periods, to October 31, 2016, at the latest, to enable Association to complete construction of an entry monument and also to acknowledge and confirm that pursuant to Section 7.01 of the Agreement, they have met and mutually agreed on an expenditure plan/budget and schedule for the expenditure of any remaining Zone 74 funds.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to amend the Agreement as follows:

1. Section 6.01 of the Agreement is deleted in its entirety and the following is inserted in its place:

6.01 The term of this Agreement shall be from July 1, 2013, to and including April 30, 2014, unless sooner terminated or extended, in whole or in part, as provided in this Agreement. Notwithstanding the foregoing, the parties mutually agree that this Agreement shall be terminated sooner if all Zone 74 funds held by the District have been expended prior to April 30, 2014, or its term automatically extended, on a month-to-month basis so as to accommodate the expenditure of all Zone 74 funds on Capital Improvements within the Open Space and utilities, for a maximum of thirty (30) additional months. Notwithstanding the foregoing, in the event that Association reasonably determines that the Zone 74 funds might not be fully spent within such term, as extended (i.e. October 31, 2016), the term shall be further automatically extended on a month-to-month basis until such time that all Zone 74 funds have been expended, provided, however, during such period subsequent to October 31, 2016, such Zone 74 funds may be spent solely for the purpose of reimbursing Association amounts incurred by Association for utilities and for no other purpose.

The parties mutually agree that County shall not be responsible for any overages in utility costs, which exceed the balance in the Zone 74 fund, regardless of the amount of the actual utility invoice(s).

2. Section 7.01 of the Agreement requires that upon the first to occur of exhaustion of the initial 80 percent of the balance of Zone 74 funds held by the District at the time of the execution of the Agreement or January 5, 2014, Association and County shall meet and mutually agree on an expenditure plan/budget and schedule for the expenditure of any remaining Zone 74 funds held by the District. Association and County hereby acknowledge and confirm that they have met and mutually agreed on an expenditure plan/budget and schedule for the expenditure of the remaining Zone 74 Funds held by the District. Association and County each waives any and all rights and claims arising out of the fact that the aforementioned meeting was not held or the mutual agreement was not reached in a timely manner pursuant to Section 7.01 of the Agreement.
3. Except as expressly amended herein, all terms and provisions of the Agreement shall remain unchanged and in full force and effect as originally executed.

IN WITNESS WHEREOF, Association has executed this Amendment 1, or caused it to be duly executed, and County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment 1 to be executed on its behalf by the Director of the Department of Public Works, the day and year first above written.

COUNTY OF LOS ANGELES

By _____
Gail Farber, Director
Department of Public Works

TESORO DEL VALLE
MASTER HOMEOWNERS ASSOCIATION

By Richard Galway
Richard Galway, President, Board of Directors

APPROVED AS TO FORM:

MARY WICKHAM
Interim County Counsel

By Julia Wilson
Deputy